Alberta

Freedom To Create. Spirit To Achieve.

Executive Council

Annual Report
2009-2010

Government of Alberta

Executive Council

Annual Report
2009-2010

CONTENTS

Preface 3

Minister's Accountability Statement 4

Message from the Minister 5

Management's Responsibility for Reporting 6

Results Analysis 7

- **Ministry Overview** 7
- **Performance Measures Summary Table** 9
- **Data Sources and Methodology** 10
- **Discussion and Analysis of Results** 12

Financial Information 14

- **Auditor's Report** 14
- **Financial Statements** 15

Preface

The Public Accounts of Alberta are prepared in accordance with the *Financial Administration Act* and the *Government Accountability Act*. The Public Accounts consist of the annual report of the Government of Alberta and the annual reports of each of the 24 Ministries.

The annual report of the Government of Alberta released June 24, 2010 contains Ministers' accountability statements, the consolidated financial statements of the Province and *The Measuring Up* report, which compares actual performance results to desired results set out in the government's business plan.

This annual report of the Ministry of Executive Council contains the Minister's accountability statement, the audited financial statements of the Ministry and a comparison of actual performance results to desired results set out in the Ministry business plan. This Ministry annual report also includes other financial information as required by the Financial Administration Act and Government Accountability Act, as a part of the financial statements, to the extent that the Ministry has anything to report.

Minister's Accountability Statement

The Ministry's annual report for the year ended March 31, 2010, was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as at September 16, 2010 with material economic or fiscal implications of which I am aware have been considered in the preparation of this report.

original signed by

Ed Stelmach
Premier

Message from the Premier

The 2009-10 fiscal year was not without its challenges – Alberta, like jurisdictions all over the world, was feeling the effects of a global financial downturn.

Executive Council played a leadership role in implementing the government's strategy to deal with these challenges: a balanced approach that included holding the line on spending, using our savings to protect public programs and services, and continuing to invest in the things that are important to Albertans.

As we dealt with the downturn, we also cast an eye to the future. The Premier's Council for Economic Strategy began looking to Alberta's horizon, three to four decades into the future, and charting what we need to do now to ensure success for Alberta in the future.

2009-10 saw many successes for Executive Council, including the enhancement of a corporate, cross-ministry approach to policy development; assistance to improve governance practices for public agencies; and communications support for a number of government projects, including WorldSkills Calgary, Inspiring Education, H1N1 preparedness and Budget 2010.

There was also a unique opportunity to promote our province at the Vancouver 2010 Olympic Games – an opportunity Alberta was quick to seize. The province and the Alberta brand were front and centre at the Olympics, and our efforts were covered extensively in the national and international media.

Executive Council staff accomplished a great deal this year and I look forward to the next year as we continue to implement our government's plan for Alberta to be in a strong financial position coming out of the recession, with advanced infrastructure, an innovative and competitive economy, and the best-performing health system in Canada, with supports for vulnerable Albertans.

original signed by

Ed Stelmach
Premier

Management's Responsibility for Reporting

The Ministry of Executive Council includes:

- Executive Council/Office of the Premier; and
- Public Affairs Bureau.

The executives of the individual entities within the Ministry have the primary responsibility and accountability for the respective entities. Collectively, the executives ensure the Ministry complies with all relevant legislation, regulations and policies.

Ministry business plans, annual reports, performance results and the supporting management information are integral to the government's fiscal and business plans, annual report, quarterly reports and other financial and performance reporting.

Responsibility for the integrity and objectivity of the consolidated financial statements and performance results for the Ministry rests with the Premier, President of Executive Council. Under the direction of the Premier, I oversee the preparation of the Ministry's annual report, including consolidated financial statements and performance results. The consolidated financial statements and the performance results, of necessity, include amounts that are based on estimates and judgments. The consolidated financial statements are prepared in accordance with the Canadian generally accepted accounting principles for the public sector as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants. The performance measures are prepared in accordance with the following criteria.

- Reliability – Information agrees with the underlying data and the sources used to prepare it.
- Understandability and Comparability – Actual results are presented clearly and consistently with the stated methodology and presented on the same basis as targets and prior years' information.
- Completeness – Performance measures and targets match those included in Budget 2009. Actual results are presented for all measures.

As Deputy Minister, in addition to program responsibilities, I establish and maintain the Ministry's financial administration and reporting functions. The Ministry maintains systems of financial management and internal control which give consideration to costs, benefits, and risks that are designed to:

- provide reasonable assurance that transactions are properly authorized, executed in accordance with prescribed legislation and regulations, and properly recorded so as to maintain accountability of public money;
- provide information to manage and report on performance;
- safeguard the assets and properties of the Province under Ministry administration;
- provide Executive Council, Treasury Board, the Minister of Finance and Enterprise and the Premier any information needed to fulfill their responsibilities; and
- facilitate preparation of Ministry business plans and annual reports required under the *Government Accountability Act*.

In fulfilling my responsibilities for the Ministry, I have relied, as necessary, on the executive of the individual entities within the Ministry.

original signed by

Brian Manning
Deputy Minister, Executive Council
September 16, 2010

Results Analysis

Ministry Overview

The Ministry of Executive Council includes the following areas:

Office of the Premier
- provides planning, communications and administrative support to the Premier's offices in Edmonton and Calgary

Deputy Minister's Office
- provides advice and support to the Premier on policy and organizational issues
- provides leadership to the Alberta Public Service

Cabinet Coordination Office
- provides organizational and administrative support and advice to Cabinet and its key committees

Policy Coordination Office
- supports long-term strategic planning and policy coordination for government
- promotes cross-ministry coordination in the development and implementation of strategic priorities
- provides leadership and coordination for the policy excellence initiative to build policy capacity across government

Premier's Council for Economic Strategy
- considers long-term goals for Alberta and provides advice to the Premier on actions the Alberta government can take to best position the province for the future
- develops ideas to ensure Alberta's continued prosperity and quality of life over the next three decades in collaboration with government, experts, Albertans and others beyond Alberta

Agency Governance Secretariat
- provides support for the development of policies to improve the governance of public agencies
- manages the implementation of the Alberta Public Agencies Governance Act

Protocol Office
- plans and coordinates international visits and provincial government ceremonial events
- manages Government House operations

Alberta Order of Excellence
- supports the Alberta Order of Excellence Council, which reviews public nominations and selects individuals to receive the province's highest honour

Office of the Lieutenant Governor
- provides planning, communications and administrative support to the Lieutenant Governor

Public Affairs Bureau
- helps government communicate with Albertans, develops communications for government's long-term strategic plans and priority initiatives, and supports internal government communications
- manages the Government of Alberta website and use of social media, provides technical support for government news conferences and distributes government news releases, coordinates government advertising, research and the corporate identity program

  Branding Initiative
  - promotes the province of Alberta as a destination of choice for immigration, investment, tourism and employment

Review Engagement Report

To the Members of the Legislative Assembly

I have reviewed the performance measures identified as "Reviewed by Auditor General" included in the *Ministry of Executive Council's 2009-10 Annual Report*. These performance measures are prepared based on the following criteria:

- Reliability – Information agrees with the underlying data and with sources used to prepare it.
- Understandability and Comparability – Actual results are presented clearly and consistently with the stated methodology and presented on the same basis as targets and prior years' information.
- Completeness – performance measures and targets match those included in Budget 2009. Actual results are presented for all measures.

My review was made in accordance with Canadian generally accepted standards for review engagements and, accordingly, consisted primarily of enquiry, analytical procedures and discussion related to information supplied to my Office by the Ministry. My review was not designed to provide assurance on the relevance of these performance measures.

A review does not constitute an audit and, consequently, I do not express an audit opinion on these performance measures.

Based on my review, nothing has come to my attention that causes me to believe that the "Reviewed by Auditor General" performance measures in the Ministry's 2009-10 Annual Report are not, in all material respects, presented in accordance with the criteria of reliability, understandability, comparability, and completeness as described above. However, my review was not designed to provide assurance on the relevance of these performance measures.

[Original signed by Merwan N. Saher]
CA
Auditor General

Edmonton, Alberta
July 30, 2010

Performance Measures Summary Table

Core Businesses/Goals/Performance Measure(s)		Prior Years' Results				Target	Current Actual
Core Business One: Support strategic planning, policy development and decision-making for the Government of Alberta							
1.	**Government policy and planning are coordinated and effective**						
1.a	Satisfaction of Policy Coordination Office Clients with Products and Services (new measure for 2007-08)	N/A 2005-06	N/A 2006-07	85% 2007-08	85% 2008-09	N/A	81% 2009-10
Core Business Two: Help government ministries communicate with Albertans							
2.	**Government communications is coordinated and effective**						
2.a	Public Satisfaction with Government Communications	60% 2005-06	63% 2006-07	64% 2007-08	62% 2008-09	71%	64% 2009-10
2.b*	Public Satisfaction with Government of Alberta Home Page	88% 2005-06	88% 2006-07	85% 2007-08	84% 2008-09	90%	84% 2009-10
2.c*	Government Client Satisfaction with Communications Support and Services	91% 2005-06	88% 2006-07	89% 2007-08	90% 2008-09	95%	94% 2009-10
Core Business Three: Tell the story of Alberta within the province and around the world							
3.	**The new Alberta Brand will be recognized and accepted within the province, nationally and internationally**						
3.a	Brand Recognition by Albertans (new measure for 2009-10)	N/A 2005-06	N/A 2006-07	N/A 2007-08	N/A 2008-09	N/A	57% 2009-10
3.b	Albertans' Agreement with the Approach to Branding Alberta (new measure for 2009-10)	N/A 2005-06	N/A 2006-07	N/A 2007-08	N/A 2008-09	N/A	78% 2009-10

* **Indicates Performance Measures that have been reviewed by the Office of the Auditor General**

The performance measures indicated with an asterisks were selected for review by ministry management based on the following criteria established by government:

1. enduring measures that best represent the goal and mandated initiatives
2. measures that have well established methodology and data reporting, and
3. measures that have outcomes over which the government had a greater degree of influence.

For more detailed information see Data Sources and Methodology on the following pages

Data Sources and Methodology

1a. Satisfaction of Policy Coordination Office Clients with Products and Services

From March 22 to April 12, 2010, a census survey was conducted of government clients of the Policy Coordination Office by a professional research firm. The total number of clients invited to participate in the survey increased to 357, compared to 264 last year. Of those clients invited to participate in the web-based survey, 209 responded, compared to 158 last year, for an overall participation rate of 59%. Of those who participated, 209 had received at least one product or service from the Policy Coordination Office in the past 12 months. Respondents were asked to rate how satisfied they were with the products or services they had received over the past year by choosing from "very satisfied", "generally satisfied", "generally dissatisfied" or "very dissatisfied". Results represent the total of "very" and "generally satisfied" responses.

2a. Public Satisfaction with Government Communications

2009-10 results reflect telephone interviews with 1,008 adult Albertans conducted from April 22 to May 2, 2010, by a professional research firm. Respondents were randomly selected from across the province. A sample of this size within the given population produces results that are reliable to within plus or minus 3.1%. Respondents were first asked whether they heard or received any information about provincial government activities or programs. Those who answered "yes" were then asked to choose from "very satisfied", "somewhat satisfied", "somewhat dissatisfied" or "very dissatisfied". Figures shown reflect the averaged results of multiple questions. "No" response replies are not included in the calculation of results. Results represent the total of "very" and "generally satisfied" responses.

2b. Public Satisfaction with Government of Alberta Home Page

2009-10 results reflect telephone interviews with 1,008 adult Albertans conducted from April 22 to May 2, 2010, by a professional research firm. Respondents were randomly selected from across the province. Respondents were first asked whether they had visited the Alberta government website in the past year. Those who answered "yes" were then asked how useful they found the first page in helping them to locate the information they needed by choosing from "very useful", "somewhat useful", "not very useful" or "not at all useful". "No" response replies are not included in the calculation of results. A sample of this size within the given population produces results that are reliable to within plus or minus 4.4%. Results represent the total of "very" and "somewhat useful" responses.

2c. Government Client Satisfaction with Communications Support and Services

The 2009-10 survey was conducted by a professional research company rather than internally by the Public Affairs Bureau. Communications directors were asked to provide a list of all clients within their departments at the management level. 1,193 department staff were contacted via e-mail and provided with a link to a web address that allowed them to complete their surveys online. The survey was conducted from April 27 to May 17, 2010. Responses were received from 772 clients. Respondents were asked to rate how satisfied they were with the specific services they had received over the past year by choosing from "very satisfied", "generally satisfied", "generally dissatisfied" or "very dissatisfied". Figures shown reflect the averaged results of multiple questions. "No" response replies are not included in the calculation of results. Results represent the total of "very" and "generally satisfied" responses.

3a. Brand Recognition by Albertans

This was a new measure for 2009-10. The results reflect 1,000 interviews completed online by a broad sample of Alberta residents. The survey took eight minutes to complete and the data were gathered between March 18 and 24, 2010. The survey was conducted by a professional research firm. Respondents were presented with the brand and asked about their level of familiarity ("very familiar", "familiar", "vaguely recall seeing it", "have not seen it before"). Results represent the total of respondents who had some level of recall of the brand.

3b. Albertans' Agreement with the Approach to Branding Alberta

This was a new measure for 2009-10. The results reflect 1,000 interviews completed online by a broad sample of Alberta residents. The survey took eight minutes to complete and the data was gathered between March 18 and 24, 2010. The survey was conducted by a professional research firm. Respondents were asked whether the approach to branding was a "perfect/excellent fit", "a very good fit", "a good fit", "not such a good fit" or "a bad fit" with an Alberta that is dynamic, changing, opening and welcoming (which were among the most important priorities set for the brand). Results represent the total of a "perfect/excellent fit", "a very good fit" and "a good fit" responses.

Discussion and Analysis of Results

GOAL 1 Linked to Core Business 1 – Support strategic planning, policy development and decision making for the Government of Alberta.

Government policy and planning are coordinated and effective.

In 2009-10, the Policy Coordination Office (PCO) supported the identification, implementation and tracking of government priorities and reported on progress. PCO staff provided advice on strategic options and promoted a corporate, cross-ministry integrated approach to policy development that is aligned with government priorities. PCO also supported annual strategic planning and co-led development of the Government of Alberta Strategic Business Plan. PCO also supported the delivery of a policy excellence initiative to strengthen policy capacity in the public sector.

The Agency Governance Secretariat continued to provide leadership in the implementation of the Public Agencies Governance Framework in 2009-10. The Secretariat provided templates, guidelines and related advice to assist departments and agencies in developing mandate and roles documents and codes of conduct. In addition, the Secretariat organized cross-ministry networking sessions to share best practices and innovative approaches to good governance. A major achievement was passage of the *Alberta Public Agencies Governance Act.*

Members of the Premier's Council for Economic Strategy held their first face-to-face meeting in March 2010. Having met three times from October to January using advanced videoconferencing technology, the 12 experts from across the globe gathered together for the first time in one place in Alberta and laid the groundwork for the later release of a paper to engage Albertans in a discussion about the future of their province.

The council is considering long-term goals for Alberta and will provide advice on government actions to best position the province for the future. The international experts offer an external perspective on Alberta's efforts to boost innovation, diversify the economy, enhance quality of life, and sustain prosperity over the long-term.

GOAL 2 Linked to Core Business 2 – Help Government ministries communicate with Albertans.

Government communications is coordinated and effective.

Public Affairs Bureau staff continued the implementation of a government-wide communications strategy with coordinated corporate communications campaigns for government-wide initiatives, enhanced use of e-newsletters and a redesign of the Government of Alberta home page. The use of social media was enhanced with the creation of a Social Media Directory, expanded use of the Your Alberta Blog; an increased focus on YouTube for Government of Alberta-produced videos; the creation of Facebook pages for programs; and utilization of Twitter accounts to inform media and Albertans about announcements and events. A social media policy was developed and implemented for use by all Government of Alberta staff.

Staff in branches throughout government provided communications support for a number of ministry programs and projects, including Safe Communities, Alberta Innovates, Land-use Framework, clean energy initiatives, provincial air and water strategies, affordable housing initiatives and the streamlined administration of municipal grant programs.

Performance measure results show that the levels of public satisfaction with government communications and the Government of Alberta home page have remained steady over the past two years. Targeted staff training programs, the establishment of more cross-government teams and internal review processes have contributed to a 4% increase in the satisfaction levels of the Public Affairs Bureau's government clients.

GOAL 3 Linked to Core Business 3 – Tell the story of Alberta within the province and around the world.

The new Alberta brand will be recognized and accepted within the province, nationally and internationally.

After the successful launch of the Alberta brand, bureau staff continued to lead the development and implementation of the brand initiative in 2009-10. The brand was showcased at events across the province and internationally. Efforts included the Offshore Technology Conference in Houston, the Calgary Stampede, Capital Ex and the Edmonton Indy as well as an extraordinary opportunity for global exposure – the Vancouver 2010 Winter Olympic Games.

During the Olympics, the Alberta Train, Alberta House and Alberta Plaza – photographed, videoed and written about by national and international media and visitors – all carried the brand. Among visitors to Alberta Plaza (including international visitors):

- almost 60% recalled the brand identity unaided;
- 80% reacted positively to the tagline;
- 83% felt it is a positive approach to represent Alberta; and
- 80% felt the brand will help ensure Alberta has a good reputation outside the province.

Alberta's Olympic legacy venues, hosts to World Cup events before Vancouver 2010, all carried Alberta pageantry to help build brand awareness.

Since the launch of the brand, more than 120 ambassadors have signed up from across the province, showing their pride in Alberta.

MINISTRY OF EXECUTIVE COUNCIL

Financial Statements

March 31, 2010

Auditor's Report

Statement of Operations

Statement of Financial Position

Statement of Cash Flows

Notes to the Financial Statements

Schedule of Expenses – Directly Incurred Detailed by Object

Schedule of Budget

Schedule of Comparison of Expenses – Directly Incurred and Statutory

Expenses by Element to Authorized Budget

Schedule of Salary and Benefits Disclosure

Schedule of Related Party Transactions

Schedule of Allocated Costs

Auditor's Report

To the Members of the Legislative Assembly

I have audited the statements of financial position of the Ministry of Executive Council as at March 31, 2010 and 2009 and the statements of operations and cash flows for the years then ended. These financial statements are the responsibility of the Ministry's management. My responsibility is to express an opinion on these financial statements based on my audits.

I conducted my audits in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Ministry as at March 31, 2010 and 2009 and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

[Original signed by Merwan N. Saher]
CA
Auditor General

Edmonton, Alberta
June 18, 2010

MINISTRY OF EXECUTIVE COUNCIL

Statement of Operations

Year ended March 31

(in thousands)

	2010 Budget (Schedule 2)	2010 Actual	2009 Actual
Revenues			
Other Revenue	$ -	$ 19	$ 33
	-	19	33
Expenses - Directly Incurred (Note 2(b) and Schedule 6)			
Voted (Schedules 1 and 3)			
Office of the Premier/Executive Council	11,013	10,256	9,942
Public Affairs	14,867	14,511	14,842
Branding Initiative	10,000	3,719	3,679
	35,880	28,486	28,463
Statutory (Schedules 1 and 3)			
Valuation Adjustments			
Provision for (Decrease in) Vacation Pay	-	71	613
	35,880	28,557	29,076
Net Operating Results	$ (35,880)	$ (28,538)	$ (29,043)

The accompanying notes and schedules are part of these financial statements.

MINISTRY OF EXECUTIVE COUNCIL

Statement of Financial Position

As at March 31

(in thousands)

	2010	2009
Assets		
Cash and Cash Equivalents	$ 10	$ 15
Accounts Receivable	60	3
Advances	1	4
	$ 71	$ 22
Liabilities		
Accounts Payable and Accrued Liabilities	$ 4,306	$ 6,057
	4,306	6,057
Net Liabilities		
Net Liabilities at Beginning of Year	(6,035)	(3,631)
Net Operating Results	(28,538)	(29,043)
Net Financing Provided from General Revenues	30,338	26,639
Net Liabilities at End of Year	(4,235)	(6,035)
	$ 71	$ 22

The accompanying notes and schedules are part of these financial statements.

MINISTRY OF EXECUTIVE COUNCIL

Statement of Cash Flows

Year ended March 31

	(in thousands)	
	2010	2009
Operating Transactions		
Net Operating Results	$ (28,538)	$ (29,043)
Non-cash items included in Net Operating Results		
Valuation Adjustments	71	613
	(28,467)	(28,430)
Decrease (Increase) in Accounts Receivable and Advances	(54)	4
(Decrease) Increase in Accounts Payable and Accrued Liabilities	(1,822)	1,755
Cash Applied to Operating Transactions	(30,343)	(26,671)
Financing Transactions		
Net Financing Provided from General Revenues	30,338	26,639
Cash Provided by Financing Transactions	30,338	26,639
Decrease in Cash and Cash Equivalents	(5)	(32)
Cash and Cash Equivalents at Beginning of Year	15	47
Cash and Cash Equivalents at End of Year	$ 10	$ 15

The accompanying notes and schedules are part of these financial statements.

Notes to the Financial Statements

NOTE 1 AUTHORITY

The Ministry of Executive Council operates under the authority of the Government Organization Act, Chapter G-10, Revised Statutes of Alberta 2000.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

These financial statements are prepared primarily in accordance with Canadian generally accepted accounting principles for the public sector as recommended by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants. The PSAB financial statements presentation standard for government summary financial statements has been modified to more appropriately reflect the nature of the departments.

(a) Reporting Entity

The reporting entity is the Ministry of Executive Council. This entity consists of the activities of the Office of the Premier/Executive Council and Public Affairs Bureau.

All departments of the Government of Alberta operate within the General Revenue Fund (the Fund). The Fund is administered by the Minister of Finance and Enterprise. All cash receipts of departments are deposited into the Fund and all cash disbursements made by departments are paid from the Fund. Net Financing Provided from (for) General Revenues is the difference between all cash receipts and all cash disbursements made.

(b) Basis of Financial Reporting

Revenues
All revenues are reported on the accrual basis of accounting. Cash received for which goods or services have not been provided by year end is recorded as unearned revenue.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Ministry has primary responsibility and accountability for, as reflected in the Government's budget documents.

In addition to program operating expenses such as salaries, supplies, etc., directly incurred expenses also include:

- pension costs, which are the cost of employer contributions during the year.
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay, guarantees and indemnities.

Incurred by Others

Services contributed by other entities in support of the Ministry's operations are not recognized and are disclosed in Schedule 5 and allocated to programs in Schedule 6.

Assets
Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations. Financial assets of the Ministry are limited to financial claims, such as advances to and receivables from other organizations, employees and other individuals.

Assets acquired by right are not included. The threshold for capitalizing new systems development is $250,000 and the threshold for major systems enhancements is $100,000. The threshold for all other tangible capital assets is $5,000. All land is capitalized. The Ministry has no tangible capital assets that meet these thresholds.

Liabilities
Liabilities are recorded to the extent that they represent present obligations as a result of events and transactions occurring prior to the end of the fiscal year. The settlement of liabilities will result in sacrifice of economic benefits in the future.

Net Liabilities
Net liabilities represents the difference between the carrying value of assets held by the Ministry and its liabilities.

Valuation of Financial Assets and Liabilities
Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of cash and cash equivalents, accounts receivable, advances, accounts payable and accrued liabilities are estimated to approximate their carrying values because of the short term nature of these instruments.

NOTE 3 CONTRACTUAL OBLIGATIONS
(in thousands)

Contractual obligations are obligations of the Ministry to others that will become liabilities in the future when the terms of those contracts or agreements are met.

	2010	2009
Obligations under contracts	$ 252	$ 688

The aggregate amounts payable for the unexpired terms of these contractual obligations will be fulfilled in 2010-11.

NOTE 4 CONTINGENT LIABILITIES
(in thousands)

At March 31, 2010 the Ministry was a not a defendant in any legal claims (2009 – one legal claim).

NOTE 5 BENEFIT PLANS
(in thousands)

The Ministry participates in the multi-employer Management Employees Pension Plan and Public Service Pension Plan. The Ministry also participates in the multi-employer Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contributions of $2,589 for the year ended March 31, 2010 (2009 – $2,325).

At December 31, 2009, the Management Employees Pension Plan reported a deficiency of $483,199 (2008 – deficiency $568,574) and the Public Service Pension Plan reported a deficiency of $1,729,196 (2008 – deficiency $1,187,538). At December 31, 2009, the Supplementary Retirement Plan for Public Service Managers had a deficiency of $39,516 (2008 – deficiency $7,111).

The Ministry also participates in two multi-employer Long Term Disability Income Continuance Plans. At March 31, 2010, the Bargaining Unit Plan reported an actuarial deficiency of $8,335 (2009 – deficiency $33,540) and the Management, Opted Out and Excluded Plan an actuarial surplus of $7,431 (2009 – deficiency $1,051). The expense for these two plans is limited to the employer's annual contributions for the year.

NOTE 6 SUBSEQUENT EVENTS

Effective April 1, 2010, the Agency Governance Secretariat is transferred from the Ministry of Executive Council to the Ministry of Treasury Board.

The Agency Governance Secretariat promotes continuous improvement in good governance by supporting departments and agencies to implement the Alberta Public Agencies Governance Act (APAGA), guided by policies in the Public Agencies Governance Framework.

NOTE 7 COMPARATIVE FIGURES

Certain 2009 figures have been reclassified to conform to the 2010 presentation.

NOTE 8 APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Senior Financial Officer and the Deputy Minister.

MINISTRY OF EXECUTIVE COUNCIL

Schedule to the Financial Statements

Schedule 1

Expenses - Directly Incurred Detailed by Object

Year ended March 31

(in thousands)

	2010		2009
	Budget	Actual	Actual
Voted			
Salaries, Wages and Employee Benefits	$ 22,795	$ 22,437	$ 22,152
Supplies and Services	12,879	5,857	6,138
Financial Transactions and Other	206	192	173
	$ 35,880	$ 28,486	$ 28,463
Statutory			
Valuation adjustments			
Provision for (Decrease in) Vacation Pay	$ -	$ 71	$ 613

MINISTRY OF EXECUTIVE COUNCIL

Schedule to the Financial Statements

Schedule 2

Budget

Year ended March 31

(in thousands)

	2009-2010 Estimates	Authorized Supplementary	2009-2010 Authorized Budget
Revenues			
Other Revenue	$ -	$ -	$ -
Expenses - Directly Incurred			
Voted Expenses			
Office of the Premier/Executive Council	11,013	-	11,013
Public Affairs	14,867	-	14,867
Branding Initiative	10,000	-	10,000
	35,880	-	35,880
Statutory Expenses			
Valuation Adjustments			
Provision for Vacation Pay	-	-	-
Total Expenses	35,880	-	35,880
Net Operating Results	$ (35,880)	$ -	$ (35,880)

MINISTRY OF EXECUTIVE COUNCIL

Schedule to the Financial Statements

Schedule 3

Comparison of Expenses - Directly Incurred and Statutory Expenses by Element to Authorized Budget

Year ended March 31

(in thousands)

	2009-2010 Estimates	Authorized Supplementary	2009-2010 Authorized Budget	2009-2010 Actual	Unexpended (Over Expended)
Voted Expenses					
Office of the Premier/Executive Council					
1.0.1 Office of the Premier/Executive Council	$ 10,502	$ -	$ 10,502	$ 9,769	$ 733
1.0.2 Office of the Lieutenant Governor	511	-	511	487	24
	11,013	-	11,013	10,256	757
Public Affairs					
2.0.1 Corporate Services	1,816	-	1,816	1,708	108
2.0.2 Strategic Communications	11,007	-	11,007	10,901	106
2.0.3 Communications Support Services	2,044	-	2,044	1,902	142
	14,867	-	14,867	14,511	356
Branding Initiative					
3.0.1 Branding Initiative	10,000	-	10,000	3,719	6,281
	10,000	-	10,000	3,719	6,281
Total Voted Expenses	$ 35,880	$ -	$ 35,880	$ 28,486	$ 7,394
Statutory Expenses					
Valuation Adjustments	$ -	$ -	$ -	$ 71	$ (71)

MINISTRY OF EXECUTIVE COUNCIL

Schedule to the Financial Statements

Schedule 4

Salary and Benefits Disclosure

Year ended March 31

	2010				2009
	Base Salary (1)	Other Cash Benefits (2)	Other Non-cash Benefits (3)	Total	Total
Senior Officials					
Deputy Minister	$320,076	$ 7,435	$ 76,106	$403,617	$531,587
Chief of Staff (4)	245,504	-	58,619	304,123	390,241
Deputy Secretary to Cabinet (4) (5)	198,285	15,993	15,348	229,626	246,758
Deputy Chief of Staff for Policy and Strategy (6)	149,245	19,541	8,174	176,960	199,236
Deputy Minister, Premier's Council for Economic Strategy (4)	264,069	-	58,673	322,742	353,907
Executive Director, Southern Alberta Office	176,014	7,980	41,591	225,585	252,281
Director of Communications (7)	174,454	42,031	16,456	232,941	216,748
Deputy Chief, Policy Coordination (4) (8)	202,226	-	50,362	252,588	246,897
Managing Director, Public Affairs Bureau (4) (9)	193,922	2,175	42,194	238,291	288,179
Executives					
Office of the Premier/Executive Council:					
Assistant Deputy Minister, Agency Governance Secretariat	195,280	-	50,137	245,417	250,319
Chief of Protocol	151,545	-	9,116	160,661	204,864
Public Affairs:					
Executive Director, Strategic Communications - Social	151,545	4,654	36,677	192,876	205,461
Executive Director, Strategic Communications - Economic (10)	10,755	-	3,911	14,666	200,586
Executive Director, Communications Support Services	142,562	-	34,800	177,362	188,182
Executive Director, Corporate Services	155,079	18,694	7,033	180,806	179,378

Prepared in accordance with Treasury Board Directive 12/98 as amended.

(1) Base salary includes regular base pay.
(2) Other cash benefits include vacation payouts and payments in lieu of vehicles and pension. There were no bonuses paid in 2010.
(3) Other non-cash benefits include the government's share of all employee benefits and contribution or payments made on behalf of employees including pension, supplementary retirement plans, health care, dental coverage, group life insurance, short and long term disability plans, professional memberships and tuition fees.
(4) Automobile provided, no dollar amount included in other non-cash benefits.
(5) This position was occupied by two individuals during the year. The first from April 1, 2009 to January 19, 2010 and the second from January 20 to March 31, 2010.
(6) Position listed as Deputy Chief of Staff in 2009. Title changed to reflect new role as announced January 14, 2010.
(7) This position was occupied by two individuals during the year. The first from April 1, 2009 to February 28, 2010 and the second from January 11 to March 31, 2010.
(8) This position was occupied by two individuals during the year. The first from April 1, 2009 to January 31, 2010 and the second from February 1 to March 31, 2010.
(9) This position was occupied by two individuals during the year. The first from April 1, 2009 to January 31, 2010 and the second from March 8 to March 31, 2010.
(10) This position was occupied from April 1 to 27, 2009.

Schedule to the Financial Statements

Schedule 5

Related Party Transactions

Year ended March 31

(in thousands)

Related parties are those entities consolidated or accounted for on a modified equity basis in the Province of Alberta's financial statements. Related parties also include management in the Ministry.

The Ministry and its employees paid or collected certain taxes and fees set by regulation for premiums, licenses and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this Schedule.

The Ministry had the following transactions with related parties recorded on the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between the related parties:

	Other Entities	
	2010	2009
Expenses - Directly Incurred		
Other Services	$ 105	$ 81
Receivable from Other Government Departments	$ 5	$ 2

The Ministry also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements and are disclosed in Schedule 6.

	Other Entities	
	2010	2009
Expenses - Incurred by Others		
Accommodation	$ 421	$ 699
Business Services	532	497
Legal Services	71	115
Internal Audit Services	97	19
Air Transportation	635	714
	$ 1,756	$ 2,044

Schedules to Financial Statements

Allocated Costs

Schedule 6

Year Ended March 31
(in thousands)

	2010								2009
		Expenses - Incurred by Others					Valuation Adjustments		
Program	Expenses [1]	Accommodation Costs [2]	Business Services [3]	Legal Services [4]	Internal Audit Services [5]	Air Transportation [6]	Vacation Pay and Banked Overtime [7]	Total Expenses	Total Expenses
Office of the Premier/Executive Council	$ 10,256	-	4	$ 44	$ 97	$ 635	$ 71	$ 11,107	$ 11,455
Public Affairs Bureau	14,511	421	528	27	-	-	(24)	15,463	15,986
Branding Initiative	3,719	-	-	-	-	-	24	3,743	3,679
	$ 28,486	$ 421	$ 532	$ 71	$ 97	$ 635	$ 71	$ 30,313	$ 31,120

(1) Expenses - Directly Incurred as per Statement of Operations, excluding valuation adjustments.
(2) Costs shown for Accommodation on Schedule 5, allocated by square footage.
(3) Business Services on Schedule 5, includes financial and administrative services and executive vehicle services allocated by estimated costs incurred in each program.
(4) Costs for Legal Services on Schedule 5, allocated by estimated costs incurred by each program.
(5) The Department of Treasury Board provides Internal Audit Services. Costs shown for Internal Audit Services on Schedule 5, allocated by estimated costs incurred by Ministry.
(6) The Department of Treasury Board provides a summary of Air Transportation costs as shown on Schedule 5.
(7) Valuation adjustments as per Statement of Operations. Vacation Pay and Banked Overtime Pay are allocated to the program by employee.

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